



LIFE AND ACCIDENT AND HEALTH COMPANIES - ASSOCIATION EDITION

QUARTERLY STATEMENT

AS OF MARCH 31, 2009

OF THE CONDITION AND AFFAIRS OF THE

Surety Life Insurance Company

NAIC Group Code00080008NAIC Company Code69310Employer's ID Number87-0198108
(Current)(Prior)

Organized under the Laws ofNebraska, State of Domicile or Port of EntryNE

Country of DomicileUnited States of America

Incorporated/Organized03/31/1936Commenced Business03/31/1936

Statutory Home Office2940 South 84th StreetLincoln , NE 68506-4142
(Street and Number)(City or Town, State and Zip Code)

Main Administrative Office2940 South 84th StreetLincoln , NE 68506-4142
(Street and Number)(City or Town, State and Zip Code)

800-525-2799
(Area Code) (Telephone Number)

Mail Address3075 Sanders Road, Suite H1ANorthbrook , IL 60062-7127
(Street and Number or P.O. Box)(City or Town, State and Zip Code)

Primary Location of Books and Records2940 South 84th StreetLincoln , NE 68506-4142
(Street and Number)(City or Town, State and Zip Code)

800-525-2799
(Area Code) (Telephone Number)

Internet Web Site AddressAllstate.com

Statutory Statement ContactRaymond Thomas847-402-6018
(Name)(Area Code) (Telephone Number)

rthax@Allstate.com847-402-0508
(E-mail Address)(FAX Number)

OFFICERS

Chief Executive OfficerFREDERICK FLORIAN CRIPEChief Financial OfficerJOHN CHARLES PINTOZZI

SecretarySUSAN LeSUEUR LEESActuaryERROL CRAMER

OTHER

LAWRENCE WILLIAM DAHL, PresidentJUDITH PEPPLER GREFFIN, # Senior Vice PresidentSAMUEL HENRY PILCH,* Group Vice President

STEVEN CARL VERNEY, TreasurerDEAN MAX WAY, Senior Vice President

DIRECTORS OR TRUSTEES

FREDERICK FLORIAN CRIPELAWRENCE WILLIAM DAHLSUSAN LeSUEUR LEES

JOHN CARL LOUNDSJOHN CHARLES PINTOZZI

State ofIllinoisSS:

County ofCook

The officers of this reporting entity being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

FREDERICK FLORIAN CRIPE
Chief Executive Officer

SUSAN LeSUEUR LEES
Secretary

JOHN CHARLES PINTOZZI
Chief Financial Officer

Subscribed and sworn to before me this8thday ofMay 2009

Miguel Saucedo
Notary
11/04/2012

a. Is this an original filing?Yes [X] No []
b. If no,
1. State the amendment number.....
2. Date filed
3. Number of pages attached.....

*Person having charge of the accounts and finances of the insurer.

ASSETS

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds	10,486,546		10,486,546	10,511,597
2. Stocks:				
2.1 Preferred stocks				
2.2 Common stocks	4,202		4,202	4,187
3. Mortgage loans on real estate:				
3.1 First liens				
3.2 Other than first liens.....				
4. Real estate:				
4.1 Properties occupied by the company (less \$ encumbrances)				
4.2 Properties held for the production of income (less \$ encumbrances)				
4.3 Properties held for sale (less \$ encumbrances)				
5. Cash (\$(2,679,482)), cash equivalents (\$) and short-term investments (\$2,322,772)	(356,709)		(356,709)	780,460
6. Contract loans, (including \$ premium notes)				
7. Other invested assets				
8. Receivables for securities	193		193	203
9. Aggregate write-ins for invested assets				
10. Subtotals, cash and invested assets (Lines 1 to 9)	10,134,232		10,134,232	11,296,448
11. Title plants less \$ charged off (for Title insurers only)				
12. Investment income due and accrued	153,530		153,530	192,200
13. Premiums and considerations:				
13.1 Uncollected premiums and agents' balances in the course of collection				
13.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ earned but unbilled premiums)				
13.3 Accrued retrospective premiums				
14. Reinsurance:				
14.1 Amounts recoverable from reinsurers				
14.2 Funds held by or deposited with reinsured companies				
14.3 Other amounts receivable under reinsurance contracts	2,881,138		2,881,138	1,533,792
15. Amounts receivable relating to uninsured plans				
16.1 Current federal and foreign income tax recoverable and interest thereon				
16.2 Net deferred tax asset				
17. Guaranty funds receivable or on deposit				
18. Electronic data processing equipment and software				
19. Furniture and equipment, including health care delivery assets (\$)				
20. Net adjustment in assets and liabilities due to foreign exchange rates				
21. Receivables from parent, subsidiaries and affiliates				
22. Health care (\$) and other amounts receivable				
23. Aggregate write-ins for other than invested assets				
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23)	13,168,899		13,168,899	13,022,440
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
26. Total (Lines 24 and 25)	13,168,899		13,168,899	13,022,440
DETAILS OF WRITE-INS				
0901.				
0902.				
0903.				
0998. Summary of remaining write-ins for Line 9 from overflow page				
0999. Totals (Lines 0901 through 0903 plus 0998)(Line 9 above)				
2301.				
2302.				
2303.				
2398. Summary of remaining write-ins for Line 23 from overflow page				
2399. Totals (Lines 2301 through 2303 plus 2398)(Line 23 above)				

STATEMENT AS OF MARCH 31, 2009 OF THE SURETY LIFE INSURANCE COMPANY

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31 Prior Year
1. Aggregate reserve for life contracts \$ less \$ included in Line 6.3 (including \$ Modco Reserve)		
2. Aggregate reserve for accident and health contracts (including \$ Modco Reserve)		
3. Liability for deposit-type contracts (including \$ Modco Reserve).....		
4. Contract claims:		
4.1 Life		
4.2 Accident and health		
5. Policyholders' dividends \$ and coupons \$ due and unpaid		
6. Provision for policyholders' dividends and coupons payable in following calendar year - estimated amounts:		
6.1 Dividends apportioned for payment (including \$ Modco)		
6.2 Dividends not yet apportioned (including \$ Modco)		
6.3 Coupons and similar benefits (including \$ Modco)		
7. Amount provisionally held for deferred dividend policies not included in Line 6		
8. Premiums and annuity considerations for life and accident and health contracts received in advance less \$ discount; including \$ accident and health premiums		
9. Contract liabilities not included elsewhere:		
9.1 Surrender values on canceled contracts		
9.2 Provision for experience rating refunds, including \$ accident and health experience rating refunds		
9.3 Other amounts payable on reinsurance, including \$ assumed and \$ ceded		
9.4 Interest Maintenance Reserve	182,354	186,987
10. Commissions to agents due or accrued-life and annuity contracts \$108 , accident and health \$4 and deposit-type contract funds \$	112	293
11. Commissions and expense allowances payable on reinsurance assumed		
12. General expenses due or accrued		
13. Transfers to Separate Accounts due or accrued (net) (including \$ accrued for expense allowances recognized in reserves, net of reinsured allowances)		
14. Taxes, licenses and fees due or accrued, excluding federal income taxes		
15.1 Current federal and foreign income taxes, including \$132,282 on realized capital gains (losses)	444,925	384,370
15.2 Net deferred tax liability	66,716	66,716
16. Unearned investment income		
17. Amounts withheld or retained by company as agent or trustee		
18. Amounts held for agents' account, including \$ agents' credit balances		
19. Remittances and items not allocated		
20. Net adjustment in assets and liabilities due to foreign exchange rates		
21. Liability for benefits for employees and agents if not included above		
22. Borrowed money \$ and interest thereon \$		
23. Dividends to stockholders declared and unpaid		
24. Miscellaneous liabilities:		
24.1 Asset valuation reserve	1,150	630
24.2 Reinsurance in unauthorized companies		
24.3 Funds held under reinsurance treaties with unauthorized reinsurers		
24.4 Payable to parent, subsidiaries and affiliates	152,554	178,935
24.5 Drafts outstanding		
24.6 Liability for amounts held under uninsured plans		
24.7 Funds held under coinsurance		
24.8 Payable for securities		
24.9 Capital notes \$ and interest thereon \$		
25. Aggregate write-ins for liabilities		
26. Total liabilities excluding Separate Accounts business (Lines 1 to 25)	847,810	817,932
27. From Separate Accounts Statement		
28. Total liabilities (Lines 26 and 27)	847,810	817,932
29. Common capital stock	2,500,000	2,500,000
30. Preferred capital stock		
31. Aggregate write-ins for other than special surplus funds		
32. Surplus notes		
33. Gross paid in and contributed surplus		
34. Aggregate write-ins for special surplus funds		
35. Unassigned funds (surplus)	9,821,088	9,704,508
36. Less treasury stock, at cost:		
36.1 shares common (value included in Line 29 \$)		
36.2 shares preferred (value included in Line 30 \$)		
37. Surplus (Total Lines 31+32+33+34+35-36) (including \$ in Separate Accounts Statement)	9,821,088	9,704,508
38. Totals of Lines 29, 30 and 37	12,321,088	12,204,508
39. Totals of Lines 28 and 38	13,168,899	13,022,440
DETAILS OF WRITE-INS		
2501.		
2502.		
2503.		
2598. Summary of remaining write-ins for Line 25 from overflow page		
2599. Totals (Lines 2501 through 2503 plus 2598)(Line 25 above)		
3101.		
3102.		
3103.		
3198. Summary of remaining write-ins for Line 31 from overflow page		
3199. Totals (Lines 3101 through 3103 plus 3198)(Line 31 above)		
3401.		
3402.		
3403.		
3498. Summary of remaining write-ins for Line 34 from overflow page		
3499. Totals (Lines 3401 through 3403 plus 3498)(Line 34 above)		

STATEMENT AS OF MARCH 31, 2009 OF THE SURETY LIFE INSURANCE COMPANY

SUMMARY OF OPERATIONS

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
1. Premiums and annuity considerations for life and accident and health contracts			
2. Considerations for supplementary contracts with life contingencies			
3. Net investment income	173,021	187,187	735,744
4. Amortization of Interest Maintenance Reserve (IMR)	4,633	4,766	17,735
5. Separate Accounts net gain from operations excluding unrealized gains or losses			
6. Commissions and expense allowances on reinsurance ceded	220,805	228,353	957,589
7. Reserve adjustments on reinsurance ceded			
8. Miscellaneous Income:			
8.1 Income from fees associated with investment management, administration and contract guarantees from Separate Accounts			
8.2 Charges and fees for deposit-type contracts			
8.3 Aggregate write-ins for miscellaneous income			(2)
9. Totals (Lines 1 to 8.3)	398,460	420,306	1,711,065
10. Death benefits			
11. Matured endowments (excluding guaranteed annual pure endowments)			
12. Annuity benefits			
13. Disability benefits and benefits under accident and health contracts			
14. Coupons, guaranteed annual pure endowments and similar benefits			
15. Surrender benefits and withdrawals for life contracts			
16. Group conversions			
17. Interest and adjustments on contract or deposit-type contract funds			
18. Payments on supplementary contracts with life contingencies			
19. Increase in aggregate reserves for life and accident and health contracts			
20. Totals (Lines 10 to 19)			
21. Commissions on premiums, annuity considerations, and deposit-type contract funds (direct business only)	220,805	228,353	957,589
22. Commissions and expense allowances on reinsurance assumed			
23. General insurance expenses			
24. Insurance taxes, licenses and fees, excluding federal income taxes			
25. Increase in loading on deferred and uncollected premiums			
26. Net transfers to or (from) Separate Accounts net of reinsurance			
27. Aggregate write-ins for deductions			
28. Totals (Lines 20 to 27)	220,805	228,353	957,589
29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28)	177,654	191,953	753,477
30. Dividends to policyholders			
31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30)	177,654	191,953	753,477
32. Federal and foreign income taxes incurred (excluding tax on capital gains)	60,555	65,515	252,088
33. Net gain from operations after dividends to policyholders and federal income taxes and before realized capital gains or (losses) (Line 31 minus Line 32)	117,099	126,438	501,389
34. Net realized capital gains (losses) (excluding gains (losses) transferred to the IMR) less capital gains tax of \$ (excluding taxes of \$ transferred to the IMR)		17,032	(71,052)
35. Net income (Line 33 plus Line 34)	117,099	143,469	430,337
CAPITAL AND SURPLUS ACCOUNT			
36. Capital and surplus, December 31, prior year	12,204,508	11,606,524	11,606,524
37. Net income (Line 35)	117,099	143,469	430,337
38. Change in net unrealized capital gains (losses) less capital gains tax of \$			
39. Change in net unrealized foreign exchange capital gain (loss)			
40. Change in net deferred income tax		(115)	163,448
41. Change in non-admitted assets		328	444
42. Change in liability for reinsurance in unauthorized companies			
43. Change in reserve on account of change in valuation basis, (increase) or decrease			
44. Change in asset valuation reserve	(519)	(728)	3,755
45. Change in treasury stock			
46. Surplus (contributed to) withdrawn from Separate Accounts during period			
47. Other changes in surplus in Separate Accounts Statement			
48. Change in surplus notes			
49. Cumulative effect of changes in accounting principles			
50. Capital changes:			
50.1 Paid in			
50.2 Transferred from surplus (Stock Dividend)			
50.3 Transferred to surplus			
51. Surplus adjustment:			
51.1 Paid in			
51.2 Transferred to capital (Stock Dividend)			
51.3 Transferred from capital			
51.4 Change in surplus as a result of reinsurance			
52. Dividends to stockholders			
53. Aggregate write-ins for gains and losses in surplus			
54. Net change in capital and surplus for the year (Lines 37 through 53)	116,580	142,954	597,984
55. Capital and surplus, as of statement date (Lines 36 + 54)	12,321,088	11,749,479	12,204,508
DETAILS OF WRITE-INS			
08.301. Allocated share of loss on sale of fixed assets			(2)
08.302.			
08.303.			
08.398. Summary of remaining write-ins for Line 8.3 from overflow page			
08.399. Totals (Lines 08.301 through 08.303 plus 08.398) (Line 8.3 above)			(2)
2701.			
2702.			
2703.			
2798. Summary of remaining write-ins for Line 27 from overflow page			
2799. Totals (Lines 2701 through 2703 plus 2798)(Line 27 above)			
5301.			
5302.			
5303.			
5398. Summary of remaining write-ins for Line 53 from overflow page			
5399. Totals (Lines 5301 through 5303 plus 5398)(Line 53 above)			

STATEMENT AS OF MARCH 31, 2009 OF THE SURETY LIFE INSURANCE COMPANY

CASH FLOW

	1 Current Year To Date	2 Prior Year Ended December 31
Cash from Operations		
1. Premiums collected net of reinsurance		(1,132)
2. Net investment income	215,490	753,030
3. Miscellaneous income	(1,126,540)	1,821,371
4. Total (Lines 1 to 3)	(911,050)	2,573,269
5. Benefit and loss related payments		
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts		
7. Commissions, expenses paid and aggregate write-ins for deductions	220,986	957,545
8. Dividends paid to policyholders		
9. Federal and foreign income taxes paid (recovered) net of \$ tax on capital gains (losses)		357,915
10. Total (Lines 5 through 9)	220,986	1,315,460
11. Net cash from operations (Line 4 minus Line 10)	(1,132,037)	1,257,809
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	21,252	156,191
12.2 Stocks		
12.3 Mortgage loans		
12.4 Real estate		
12.5 Other invested assets		
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments		
12.7 Miscellaneous proceeds	10	145
12.8 Total investment proceeds (Lines 12.1 to 12.7)	21,262	156,336
13. Cost of investments acquired (long-term only):		
13.1 Bonds		68,359
13.2 Stocks	14	1,295
13.3 Mortgage loans		
13.4 Real estate		
13.5 Other invested assets		
13.6 Miscellaneous applications		
13.7 Total investments acquired (Lines 13.1 to 13.6)	14	69,655
14. Net increase (or decrease) in contract loans and premium notes		
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14)	21,248	86,681
Cash from Financing and Miscellaneous Sources		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes		
16.2 Capital and paid in surplus, less treasury stock		
16.3 Borrowed funds		
16.4 Net deposits on deposit-type contracts and other insurance liabilities		
16.5 Dividends to stockholders		
16.6 Other cash provided (applied)	(26,381)	8,495
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6)	(26,381)	8,495
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	(1,137,170)	1,352,985
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	780,460	(572,525)
19.2 End of period (Line 18 plus Line 19.1)	(356,710)	780,460

Note: Supplemental disclosures of cash flow information for non-cash transactions:

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.....		
.....		
.....		

EXHIBIT 1

DIRECT PREMIUMS AND DEPOSIT-TYPE CONTRACTS			
	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
1. Industrial life			
2. Ordinary life insurance	12,470,502	13,214,655	50,819,619
3. Ordinary individual annuities	77,933	109,806	455,988
4. Credit life (group and individual)			
5. Group life insurance	29,848	34,648	182,333
6. Group annuities	25	2,325	5,500
7. A & H - group			
8. A & H - credit (group and individual)			
9. A & H - other	23,706	24,593	94,586
10. Aggregate of all other lines of business			
11. Subtotal	12,602,014	13,386,027	51,558,025
12. Deposit-type contracts			
13. Total	12,602,014	13,386,027	51,558,025
DETAILS OF WRITE-INS			
1001.			
1002.			
1003.			
1098. Summary of remaining write-ins for Line 10 from overflow page			
1099. Totals (Lines 1001 through 1003 plus 1098)(Line 10 above)			

STATEMENT AS OF MARCH 31, 2009 OF THE SURETY LIFE INSURANCE COMPANY

NOTES TO FINANCIAL STATEMENTS

There have been no material changes to the following December 31, 2008 Annual Statement notes: 1(B), 1(C), 2-9, 10(A-D, F-L), 11-13, 14(B-D), 15, 16, 17(A, B), 18-23 and 25-34.

1. Summary of Significant Accounting Policies

- A. Surety Life Insurance Company ("Company") prepares its financial statements in conformity with accounting practices prescribed or permitted by the Nebraska Department of Insurance ("NE DOI"). Prescribed statutory accounting practices include a variety of publications of the National Association of Insurance Commissioners ("NAIC"), as well as state laws, regulations and general administrative rules. Permitted statutory accounting practices encompass all accounting practices not so prescribed.

The state of Nebraska requires its domestic insurance companies to prepare financial statements in conformity with the NAIC Accounting Practices and Procedures Manual, which includes all Statements of Statutory Accounting Principles ("SSAPs"), subject to any deviations prescribed or permitted by the NE DOI.

10. Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties

- E. The Company did not make material guarantees or undertakings for the benefit of affiliates or related parties that could result in a material contingent exposure to the Company's assets or liabilities in the first three months of 2009 or in 2008.

14. Contingencies

- A. Contingent Commitments

The Company has made no contingent commitments or guarantees.

- E. All Other Contingencies

Regulation and legal proceedings

The Company is subject to changing social, economic and regulatory conditions. From time to time regulatory authorities seek to impose additional regulations regarding agent and broker compensation and otherwise expand overall regulation of insurance products and the insurance industry. The ultimate changes and eventual effects of these initiatives on the Company's business, if any, are uncertain.

17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities

- C. In the course of managing the Company's investment portfolio, securities may be sold and reacquired within 30 days of the sale date. Such transactions are referred to as wash sales. The Company had no wash sales during the first quarter of 2009 or 2008 that required disclosure per SSAP No. 91, *Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities*.

24. Change in Incurred Losses and Loss Adjustment Expenses

The Company did not have life or accident and health insurance reserves for incurred losses and loss adjustment expenses at March 31, 2009 and December 31, 2008, net of reinsurance.

GENERAL INTERROGATORIES

(Responses to these interrogatories should be based on changes that have occurred since the prior year end unless otherwise noted)

PART 1 - COMMON INTERROGATORIES
GENERAL

- 1.1

Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act?

Yes [] No [X]
- 1.2

If yes, has the report been filed with the domiciliary state?

Yes [] No []
- 2.1

Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity?

Yes [] No [X]
- 2.2

If yes, date of change:
3.

Have there been any substantial changes in the organizational chart since the prior quarter end?

Yes [] No [X]

If yes, complete the Schedule Y - Part 1 - organizational chart.
- 4.1

Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?

Yes [] No [X]
- 4.2

If yes, provide the name of the entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1 Name of Entity	2 NAIC Company Code	3 State of Domicile
.....
.....
.....

5.

If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved?

Yes [] No [X] N/A []

If yes, attach an explanation.
- 6.1

State as of what date the latest financial examination of the reporting entity was made or is being made.

12/31/2006
- 6.2

State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released.

12/31/2006
- 6.3

State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date).

03/05/2008
- 6.4

By what department or departments?
NEBRASKA
- 6.5

Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments?

Yes [] No [] N/A [X]
- 6.6

Have all of the recommendations within the latest financial examination report been complied with?

Yes [] No [] N/A [X]
- 7.1

Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period?

Yes [] No [X]
- 7.2

If yes, give full information:
- 8.1

Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board?

Yes [] No [X]
- 8.2

If response to 8.1 is yes, please identify the name of the bank holding company.
- 8.3

Is the company affiliated with one or more banks, thrifts or securities firms?

Yes [X] No []
- 8.4

If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Office of Thrift Supervision (OTS), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

1 Affiliate Name	2 Location (City, State)	3 FRB	4 OCC	5 OTS	6 FDIC	7 SEC
ALFS, INC.	3100 SANDERS ROAD, NORTHBROOK, IL 60062					YES
ALLSTATE BANK	544 LAKEVIEW PARKWAY, VERNON HILLS, IL 60061			YES		
ALLSTATE DISTRIBUTORS, LLC	3100 SANDERS ROAD, NORTHBROOK, IL 60062					YES
ALLSTATE FINANCIAL ADVISORS, LLC	3100 SANDERS ROAD, NORTHBROOK, IL 60062					YES
ALLSTATE FINANCIAL SERVICES, LLC	2920 SOUTH 84TH STREET, LINCOLN, NE 68506					YES
ALLSTATE INSTITUTIONAL ADVISORS, LLC	3100 SANDERS ROAD, NORTHBROOK, IL 60062					YES
ALLSTATE INVESTMENT MANAGEMENT COMPANY	2775 SANDERS ROAD, NORTHBROOK, IL 60062					YES

STATEMENT AS OF MARCH 31, 2009 OF THE SURETY LIFE INSURANCE COMPANY

GENERAL INTERROGATORIES

- 9.1

Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? (a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships; (b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity; (c) Compliance with applicable governmental laws, rules and regulations; (d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and (e) Accountability for adherence to the code.

Yes [X] No []
- 9.11

If the response to 9.1 is No, please explain:
- 9.2

Has the code of ethics for senior managers been amended?

Yes [] No [X]
- 9.21

If the response to 9.2 is Yes, provide information related to amendment(s).
- 9.3

Have any provisions of the code of ethics been waived for any of the specified officers?

Yes [] No [X]
- 9.31

If the response to 9.3 is Yes, provide the nature of any waiver(s).

FINANCIAL

- 10.1

Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement?

Yes [] No [X]
- 10.2

If yes, indicate any amounts receivable from parent included in the Page 2 amount:

\$

INVESTMENT

- 11.1

Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.)

Yes [X] No []
- 11.2

If yes, give full and complete information relating thereto:
\$6,523,301 ON DEPOSIT WITH STATE OR OTHER REGULATORY BODY.
12.

Amount of real estate and mortgages held in other invested assets in Schedule BA:

\$
13.

Amount of real estate and mortgages held in short-term investments:

\$
- 14.1

Does the reporting entity have any investments in parent, subsidiaries and affiliates?

Yes [] No [X]
- 14.2

If yes, please complete the following:
- | | 1 | 2 |
|---|---|--|
| | Prior Year-End Book/Adjusted Carrying Value | Current Quarter Book/Adjusted Carrying Value |
| 14.21 Bonds | \$ | \$ |
| 14.22 Preferred Stock | \$ | \$ |
| 14.23 Common Stock | \$ | \$ |
| 14.24 Short-Term Investments | \$ | \$ |
| 14.25 Mortgage Loans on Real Estate | \$ | \$ |
| 14.26 All Other | \$ | \$ |
| 14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26) | \$ | \$ |
| 14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above | \$ | \$ |
- 15.1

Has the reporting entity entered into any hedging transactions reported on Schedule DB?

Yes [] No [X]
- 15.2

If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? If no, attach a description with this statement.

Yes [] No []

STATEMENT AS OF MARCH 31, 2009 OF THE SURETY LIFE INSURANCE COMPANY

GENERAL INTERROGATORIES

16. Excluding items in Schedule E - Part 3 – Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 3, III Conducting Examinations, E - Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook? Yes [X] No []
- 16.1 For all agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

1 Name of Custodian(s)	2 Custodian Address
CITIBANK N.A. CONTACT: JON TOMAN 312-876-8548	233 S. WACKER DR., 86TH FLOOR, CHICAGO, IL 60606

- 16.2 For all agreements that do not comply with the requirements of the NAIC Financial Condition Examiners Handbook, provide the name, location and a complete explanation:

1 Name(s)	2 Location(s)	3 Complete Explanation(s)
.....
.....

- 16.3 Have there been any changes, including name changes, in the custodian(s) identified in 16.1 during the current quarter? Yes [] No [X]
- 16.4 If yes, give full information relating thereto:

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason
.....
.....

- 16.5 Identify all investment advisors, brokers/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

1 Central Registration Depository	2 Name(s)	3 Address
N/A	ALLSTATE INVESTMENTS, LLC	3075 SANDERS ROAD, NORTHBROOK, IL 60062

- 17.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Securities Valuation Office been followed? Yes [X] No []
- 17.2 If no, list exceptions:

General Interrogatories Part 2

N O N E

Schedule S - Ceded Reinsurance

N O N E

STATEMENT AS OF MARCH 31, 2009 OF THE SURETY LIFE INSURANCE COMPANY

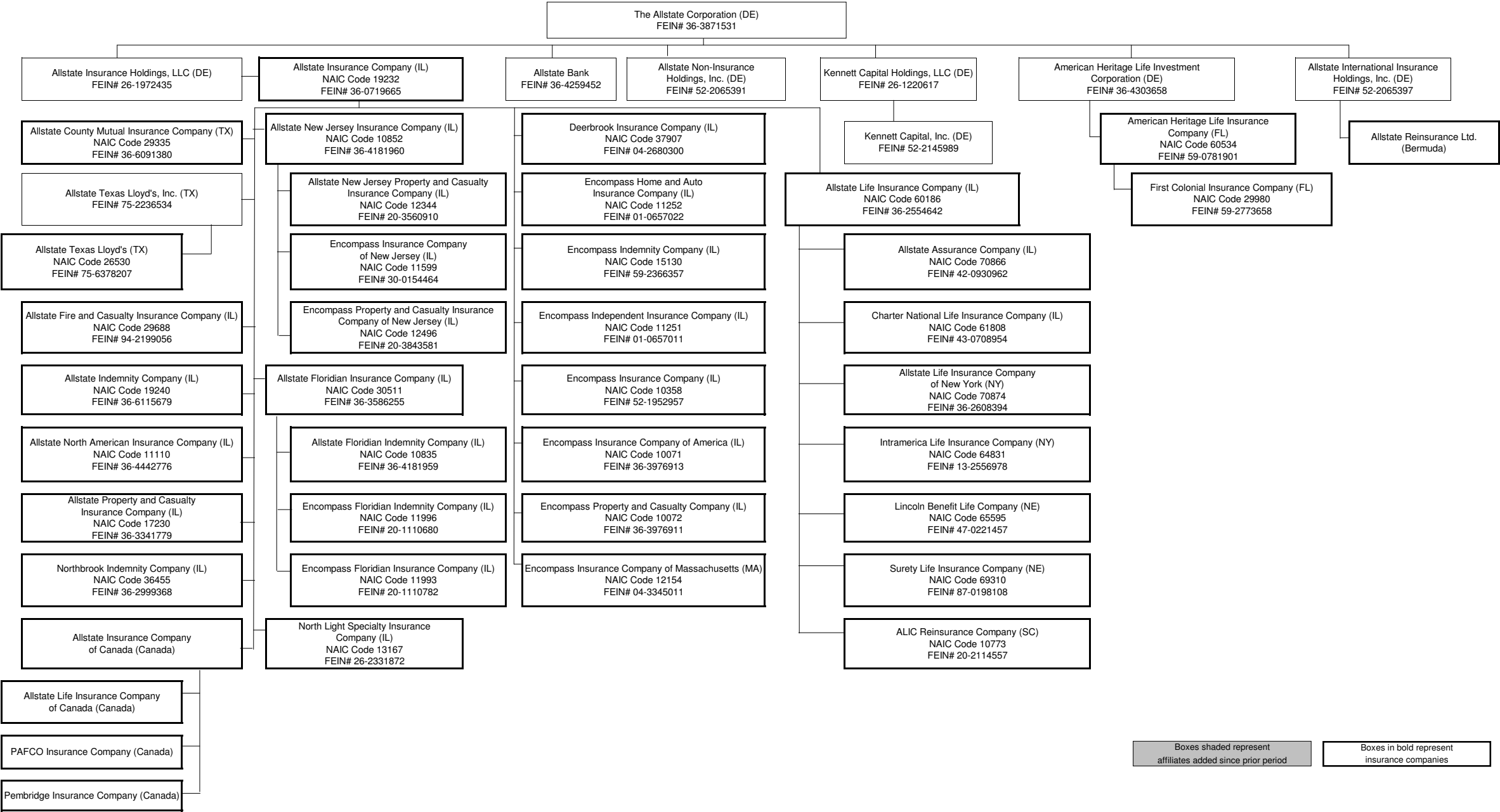
SCHEDULE T - PREMIUMS AND ANNUITY CONSIDERATIONS

Current Year To Date - Allocated by States and Territories

States, Etc.			1	Direct Business Only				
				Life Contracts		4	5	6
				2	3			
			Active Status	Life Insurance Premiums	Annuity Considerations	Accident and Health Insurance Premiums, Including Policy, Membership and Other Fees	Other Considerations	Total Columns 2 Through 5
								7
								Deposit-Type Contracts
1.	Alabama	AL	L	69,651				69,651
2.	Alaska	AK	L	12,057				12,057
3.	Arizona	AZ	L	106,749	(835)	1,218		107,132
4.	Arkansas	AR	L	71,020	150	195		71,365
5.	California	CA	L	4,394,309	36,832	6,321		4,437,462
6.	Colorado	CO	L	209,931	300	1,647		211,878
7.	Connecticut	CT	L	106,306		2,062		108,367
8.	Delaware	DE	L	19,239				19,239
9.	District of Columbia	DC	L	31,211				31,211
10.	Florida	FL	L	601,551	1,533	3,406		606,490
11.	Georgia	GA	L	189,625	150			189,775
12.	Hawaii	HI	L	217,705	1,720			219,425
13.	Idaho	ID	L	86,918	90			87,008
14.	Illinois	IL	L	687,916	1,605	1,537		691,057
15.	Indiana	IN	L	46,832	160			46,992
16.	Iowa	IA	L	15,892	150			16,042
17.	Kansas	KS	L	40,698		208		40,906
18.	Kentucky	KY	L	26,040				26,040
19.	Louisiana	LA	L	145,273	492			145,765
20.	Maine	ME	L	34,874				34,874
21.	Maryland	MD	L	280,405	652	714		281,771
22.	Massachusetts	MA	L	194,955	200	376		195,531
23.	Michigan	MI	L	116,688	150			116,838
24.	Minnesota	MN	L	47,378				47,378
25.	Mississippi	MS	L	101,134	1,280	236		102,650
26.	Missouri	MO	L	102,000		77		102,077
27.	Montana	MT	L	29,459				29,459
28.	Nebraska	NE	L	40,308		40		40,349
29.	Nevada	NV	L	196,487	100			196,587
30.	New Hampshire	NH	L	47,604				47,604
31.	New Jersey	NJ	L	644,041	356	296		644,693
32.	New Mexico	NM	L	28,116	50			28,166
33.	New York	NY	N	66,620	300			66,920
34.	North Carolina	NC	L	243,780	618	190		244,588
35.	North Dakota	ND	L	2,481				2,481
36.	Ohio	OH	L	340,332	2,371			342,703
37.	Oklahoma	OK	L	31,032	300			31,332
38.	Oregon	OR	L	237,115	105	1,235		238,455
39.	Pennsylvania	PA	L	277,037	75	1,065		278,176
40.	Rhode Island	RI	L	51,804	60	55		51,919
41.	South Carolina	SC	L	120,821	90	113		121,023
42.	South Dakota	SD	L	6,192				6,192
43.	Tennessee	TN	L	51,027	1,297			52,325
44.	Texas	TX	L	584,441	1,234	552		586,227
45.	Utah	UT	L	228,963	30			228,993
46.	Vermont	VT	L	2,980	75			3,055
47.	Virginia	VA	L	376,229	5,197	349		381,775
48.	Washington	WA	L	170,934	4,290	1,144		176,368
49.	West Virginia	WV	L	18,954				18,954
50.	Wisconsin	WI	L	128,016	409			128,425
51.	Wyoming	WY	L	17,475				17,475
52.	American Samoa	AS	N	75				75
53.	Guam	GU	L	349,625	225	348		350,199
54.	Puerto Rico	PR	N	2,287				2,287
55.	U.S. Virgin Islands	VI	L	112,921	15,846	161		128,929
56.	Northern Mariana Islands	MP	N	176				176
57.	Canada	CN	N	4,264				4,264
58.	Aggregate Other Aliens	OT	XXX	32,217	300			32,517
59.	Subtotal	(a)	52	12,400,169	77,958	23,545		12,501,672
90.	Reporting entity contributions for employee benefits plans	XXX						
91.	Dividends or refunds applied to purchase paid-up additions and annuities	XXX		31				31
92.	Dividends or refunds applied to shorten endowment or premium paying period	XXX						
93.	Premium or annuity considerations waived under disability or other contract provisions	XXX		143,718				143,718
94.	Aggregate or other amounts not allocable by State	XXX						
95.	Totals (Direct Business)	XXX		12,543,919	77,958	23,545		12,645,422
96.	Plus Reinsurance Assumed	XXX						
97.	Totals (All Business)	XXX		12,543,919	77,958	23,545		12,645,422
98.	Less Reinsurance Ceded	XXX		12,543,919	77,958	23,545		12,645,422
99.	Totals (All Business) less Reinsurance Ceded	XXX						
5801.	DETAILS OF WRITE-INS							
5802.	BERMUDA	XXX		450				450
5803.	BRAZIL	XXX		600				600
5803.	BAHAMAS	XXX		1,700				1,700
5898.	Summary of remaining write-ins for Line 58 from overflow page	XXX		29,467	300			29,767
5899.	Totals (Lines 5801 through 5803 plus 5898)(Line 58 above)	XXX		32,217	300			32,517
9401.		XXX						
9402.		XXX						
9403.		XXX						
9498.	Summary of remaining write-ins for Line 94 from overflow page	XXX						
9499.	Totals (Lines 9401 through 9403 plus 9498)(Line 94 above)	XXX						

(a) Insert the number of L responses except for Canada and Other Alien.

STATEMENT AS OF MARCH 31, 2009 OF THE SURETY LIFE INSURANCE COMPANY
SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP
PART 1 – ORGANIZATIONAL CHART



STATEMENT AS OF MARCH 31, 2009 OF THE SURETY LIFE INSURANCE COMPANY

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of NO to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter SEE EXPLANATION and provide an explanation following the interrogatory questions.

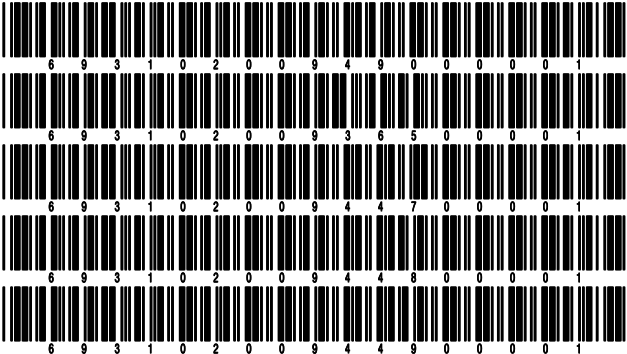
	Response
1. Will the Trusteed Surplus Statement be filed with the state of domicile and the NAIC with this statement?	NO
2. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement?	NO
3. Will the Reasonableness of Assumptions Certification required by Actuarial Guideline XXXV be filed with the state of domicile and electronically with the NAIC?	SEE EXPLANATION
4. Will the Reasonableness and Consistency of Assumptions Certification required by Actuarial Guideline XXXV be filed with the state of domicile and electronically with the NAIC?	YES
5. Will the Reasonableness of Assumptions Certification for Implied Guaranteed Rate Method required by Actuarial Guideline XXXVI be filed with the state of domicile and electronically with the NAIC?	NO
6. Will the Reasonableness and Consistency of Assumptions Certification required by Actuarial Guideline XXXVI (Updated Average Market Value) be filed with the state of domicile and electronically with the NAIC?	NO
7. Will the Reasonableness and Consistency of Assumptions Certification required by Actuarial Guideline XXXVI (Updated Market Value) be filed with the state of domicile and electronically with the NAIC?	NO

Explanation:

1.
2.
3. The Reasonableness of Assumptions Certification required by Actuarial Guideline XXXV will not be filed with the state of domicile and electronically with the NAIC because it is required for policies reserved for under "Type 1" methods. The Company uses a "Type 2" method.
5.
6.
7.

Bar Code:

1. Trusteed Surplus Statement [Document Identifier 490]
2. Medicare Part D Coverage Supplement [Document Identifier 365]
5. Reasonableness of Assumptions Certification for Implied Guaranteed Rate Method required by Actuarial Guideline XXXVI [Document Identifier 447]
6. Reasonableness and Consistency of Assumptions Certification required by Actuarial Guideline XXXVI [Document Identifier 448]
7. Reasonableness and Consistency of Assumptions Certification required by Actuarial Guideline XXXVI (Updated Market Value) [Document Identifier 449]



STATEMENT AS OF MARCH 31, 2009 OF THE SURETY LIFE INSURANCE COMPANY

OVERFLOW PAGE FOR WRITE-INS

Additional Write-ins for Schedule T Line 58

5804.	CHINA	XXX	15				15
5805.	CHILE	XXX	30				30
5806.	SPAIN	XXX	300				300
5807.	GRENADA	XXX	214				214
5808.	GREECE	XXX	33				33
5809.	GERMANY	XXX	1,884				1,884
5810.	HONG KONG	XXX	1,056				1,056
5811.	HONDURAS	XXX	300				300
5812.	JAPAN	XXX	209				209
5813.	MEXICO	XXX	1,648				1,648
5814.	MALAYSIA	XXX	1,205				1,205
5815.	NETHERLANDS	XXX	1,000				1,000
5816.	NICARAGUI	XXX	1,200				1,200
5817.	NORWAY	XXX	291				291
5818.	PHILIPPINES	XXX	6,498				6,498
5819.	PAKISTAN	XXX	332				332
5820.	PANAMA	XXX	30				30
5821.	SWITZERLAND	XXX	659				659
5822.	THAILAND	XXX	380				380
5823.	TAIWAN	XXX	780				780
5824.	UNITED ARAB EMIRATES	XXX	4,200				4,200
5825.	UNITED KINGDOM	XXX	51				51
5826.	ARMY & FLEET POST OFFICE	XXX	7,153	300			7,453
5897.	Summary of remaining write-ins for Line 58 from overflow page	XXX	29,467	300			29,767

SCHEDULE A - VERIFICATION

Real Estate

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year		
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		
2.2 Additional investment made after acquisition		
3. Current year change in encumbrances		
4. Total gain (loss) on disposals		
5. Deduct amounts received on disposals		
6. Total foreign exchange change in book/adjusted carrying value		
7. Deduct current year's other than temporary impairment recognized		
8. Deduct current year's depreciation		
9. Book/adjusted carrying value at the end of current period (Lines 1+2+3+4-5+6-7-8)		
10. Deduct total nonadmitted amounts		
11. Statement value at end of current period (Line 9 minus Line 10)		

SCHEDULE B - VERIFICATION

Mortgage Loans

	1 Year to Date	2 Prior Year Ended December 31
1. Book value/recorded investment excluding accrued interest, December 31 of prior year		
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		
2.2 Additional investment made after acquisition		
3. Capitalized deferred interest and other		
4. Accrual of discount		
5. Unrealized valuation increase (decrease)		
6. Total gain (loss) on disposals		
7. Deduct amounts received on disposals		
8. Deduct amortization of premium and mortgage interest points and commitment fees		
9. Total foreign exchange change in book value/recorded investment excluding accrued interest		
10. Deduct current year's other than temporary impairment recognized		
11. Book value/recorded investment excluding accrued interest at end of current period (Lines 1+2+3+4+5+6-7-8+9-10)		
12. Total valuation allowance		
13. Subtotal (Line 11 plus Line 12)		
14. Deduct total nonadmitted amounts		
15. Statement value at end of current period (Line 13 minus Line 14)		

SCHEDULE BA - VERIFICATION

Other Long-Term Invested Assets

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year		
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		
2.2 Additional investment made after acquisition		
3. Capitalized deferred interest and other		
4. Accrual of discount		
5. Unrealized valuation increase (decrease)		
6. Total gain (loss) on disposals		
7. Deduct amounts received on disposals		
8. Deduct amortization of premium and depreciation		
9. Total foreign exchange change in book/adjusted carrying value		
10. Deduct current year's other than temporary impairment recognized		
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10)		
12. Deduct total nonadmitted amounts		
13. Statement value at end of current period (Line 11 minus Line 12)		

SCHEDULE D - VERIFICATION

Bonds and Stocks

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year	10,515,785	10,578,995
2. Cost of bonds and stocks acquired	14	69,655
3. Accrual of discount	1,135	5,298
4. Unrealized valuation increase (decrease)		
5. Total gain (loss) on disposals		36,006
6. Deduct consideration for bonds and stocks disposed of	21,252	156,191
7. Deduct amortization of premium	4,933	17,977
8. Total foreign exchange change in book/adjusted carrying value		
9. Deduct current year's other than temporary impairment recognized		
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	10,490,748	10,515,785
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)	10,490,748	10,515,785

STATEMENT AS OF MARCH 31, 2009 OF THE SURETY LIFE INSURANCE COMPANY

SCHEDULE D - PART 1B

Showing the Acquisitions, Dispositions and Non-Trading Activity
During the Current Quarter for all Bonds and Preferred Stock by Rating Class

	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. Class 1 (a)	12,605,420	640,190	432,494	(3,799)	12,809,317			12,605,420
2. Class 2 (a)								
3. Class 3 (a)								
4. Class 4 (a)								
5. Class 5 (a)								
6. Class 6 (a)								
7. Total Bonds	12,605,420	640,190	432,494	(3,799)	12,809,317			12,605,420
PREFERRED STOCK								
8. Class 1								
9. Class 2								
10. Class 3								
11. Class 4								
12. Class 5								
13. Class 6								
14. Total Preferred Stock								
15. Total Bonds and Preferred Stock	12,605,420	640,190	432,494	(3,799)	12,809,317			12,605,420

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of non-rated short-term and cash equivalent bonds by NAIC designation: NAIC 1 \$ 2,322,772 ; NAIC 2 \$; NAIC 3 \$; NAIC 4 \$; NAIC 5 \$; NAIC 6 \$

SCHEDULE DA - PART 1

Short-Term Investments

	1	2	3	4	5
	Book/Adjusted Carrying Value	Par Value	Actual Cost	Interest Collected Year-to-Date	Paid for Accrued Interest Year-to-Date
9199999 Totals	2,322,772	xxx	2,322,772	6,062	

SCHEDULE DA - VERIFICATION

Short-Term Investments

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	2,093,824	1,617,690
2. Cost of short-term investments acquired	640,190	862,009
3. Accrual of discount		
4. Unrealized valuation increase (decrease)		
5. Total gain (loss) on disposals		
6. Deduct consideration received on disposals	411,242	385,875
7. Deduct amortization of premium		
8. Total foreign exchange change in book/adjusted carrying value		
9. Deduct current year's other than temporary impairment recognized		
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	2,322,772	2,093,824
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)	2,322,772	2,093,824

Schedule DB - Part F - Section 1 - Replicated (Synthetic) Assets Open
N O N E

Schedule DB - Part F - Section 2 - Reconciliation of Replicated (Synthetic) Assets Open
N O N E

Schedule E - Verification - Cash Equivalents
N O N E

Schedule A - Part 2 - Real Estate Acquired and Additions Made
N O N E

Schedule A - Part 3 - Real Estate Disposed
N O N E

Schedule B - Part 2 - Mortgage Loans Acquired
N O N E

Schedule B - Part 3 - Mortgage Loans Disposed, Transferred or Repaid
N O N E

Schedule BA - Part 2 - Other Long-Term Invested Assets Acquired
N O N E

Schedule BA - Part 3 - Other Long-Term Invested Assets Disposed, Transferred or Repaid
N O N E

STATEMENT AS OF MARCH 31, 2009 OF THE SURETY LIFE INSURANCE COMPANY

SCHEDULE D - PART 3

Show All Long-Term Bonds and Stock Acquired During the Current Quarter

1	2	3	4	5	6	7	8	9	10
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends	NAIC Designation or Market Indicator (a)
8399997. Total - Bonds - Part 3									XXX
8399998. Total - Bonds - Part 5						XXX	XXX	XXX	XXX
8399999. Total - Bonds									XXX
8999997. Total - Preferred Stocks - Part 3							XXX		XXX
8999998. Total - Preferred Stocks - Part 5						XXX	XXX	XXX	XXX
8999999. Total - Preferred Stocks							XXX		XXX
261934-10-3	DREYFUS MONEY MARKET		03/02/2009	DIRECT	14.200	.14			L
9399999. Common Stocks - Money Market Mutual Funds						14	XXX		XXX
9799997. Total - Common Stocks - Part 3						14	XXX		XXX
9799998. Total - Common Stocks - Part 5						XXX	XXX	XXX	XXX
9799999. Total - Common Stocks						14	XXX		XXX
9899999. Total - Preferred and Common Stocks						14	XXX		XXX
9999999 - Totals						14	XXX		XXX

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues

STATEMENT AS OF MARCH 31, 2009 OF THE SURETY LIFE INSURANCE COMPANY

SCHEDULE D - PART 4

Show All Long-Term Bonds and Stock Sold, Redeemed or Otherwise Disposed of During the Current Quarter

1	2	3	4	5	6	7	8	9	10	Change In Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	For- eign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consid- eration	Par Value	Actual Cost	Prior Year Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amor- tization)/ Accretion	Current Year's Other Than Temporary Impairment Recog- nized	Total Change in Book/ Adjusted Carrying Value (11 + 12 - 13)	Total Foreign Exchange Change in Book /Adjusted Carrying Value	Book/ Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/ Stock Dividends Received During Year	Maturity Date	NAIC Desig- nation or Market In- dicator (a)
36223X-LD-2	GOVT NATL MTG ASSOC I #320824		03/01/2009	SCHEDULED REDEMPTION		324	324	327	327		(3)		(3)		324				6	04/15/2022	1
36203E-AY-4	GOVT NATL MTG ASSOC I #346623		03/01/2009	SCHEDULED REDEMPTION		208	208	209	208		(1)		(1)		208				3	06/15/2023	1
36203X-JU-1	GOVT NATL MTG ASSOC I #362175		03/01/2009	SCHEDULED REDEMPTION		1,727	1,727	1,752	1,746		(19)		(19)		1,727				27	01/15/2024	1
36204W-NE-3	GOVT NATL MTG ASSOC I #382089		03/01/2009	SCHEDULED REDEMPTION		15,941	15,941	16,178	16,127		(186)		(186)		15,941				278	01/15/2024	1
36202A-ZL-4	GOVT NATL MTG ASSOC II # 747		03/01/2009	SCHEDULED REDEMPTION		119	119	107	106		13		13		119				2	04/20/2017	1
36202A-2N-6	GOVT NATL MTG ASSOC II # 781		03/01/2009	SCHEDULED REDEMPTION		296	296	319	323		(27)		(27)		296				6	06/20/2017	1
0399999. Bonds - U.S. Governments						18,615	18,615	18,892	18,837		(222)		(222)		18,615				322	XXX	XXX
313401-JL-6	FED HOME LOAN MTG CORP #170025		03/01/2009	SCHEDULED REDEMPTION		472	472	588	472						472				16	02/01/2010	1
31340M-FD-2	FED HOME LOAN MTG CORP #181064		03/01/2009	SCHEDULED REDEMPTION		97	97	75	97						97				2	12/01/2011	1
313401-Z8-7	FED HOME LOAN MTG CORP #360119		03/01/2009	SCHEDULED REDEMPTION		18	18	17	15						18					08/01/2020	1
31347X-WZ-3	FED HOME LOAN MTG CORP #539664		03/01/2009	SCHEDULED REDEMPTION		30	30	29	28		2		2		30				1	09/01/2019	1
31353W-4K-0	FED HOME LOAN MTG CORP #541726		03/01/2009	SCHEDULED REDEMPTION		7	7	6	6		1		1		7					11/01/2019	1
31335G-NG-6	FED HOME LOAN MTG CORP GOLD #C80391		03/01/2009	SCHEDULED REDEMPTION		1,438	1,438	1,389	1,390		48		48		1,438				22	03/01/2026	1
3128FB-TC-9	FED HOME LOAN MTG CORP GOLD #D70547		03/01/2009	SCHEDULED REDEMPTION		576	576	551	553		23		23		576				8	04/01/2026	1
3199999. Bonds - U.S. Special Revenues						2,638	2,638	2,655	2,562		76		76		2,638				49	XXX	XXX
8399997. Total - Bonds - Part 4						21,252	21,252	21,547	21,398		(146)		(146)		21,252				371	XXX	XXX
8399998. Total - Bonds - Part 5						XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
8399999. Total - Bonds						21,252	21,252	21,547	21,398		(146)		(146)		21,252				371	XXX	XXX
8999997. Total - Preferred Stocks - Part 4							XXX													XXX	XXX
8999998. Total - Preferred Stocks - Part 5						XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
8999999. Total - Preferred Stocks							XXX													XXX	XXX
9799997. Total - Common Stocks - Part 4							XXX													XXX	XXX
9799998. Total - Common Stocks - Part 5						XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
9799999. Total - Common Stocks							XXX													XXX	XXX
9899999. Total - Preferred and Common Stocks							XXX													XXX	XXX
9999999 - Totals						21,252	XXX	21,547	21,398		(146)		(146)		21,252				371	XXX	XXX

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues.....

Schedule DB - Part A - Section 1 - Options, Caps, Floors and Insurance Futures Options Owned

N O N E

Schedule DB - Part B - Section 1 - Options, Caps, Floors and Insurance Futures Options Written and
In Force

N O N E

Schedule DB - Part C - Section 1 - Collar, Swap and Forwards Open

N O N E

Schedule DB - Part D - Section 1 - Futures Contracts and Insurance Futures Contracts Open

N O N E

SCHEDULE E - PART 1 - CASH

[illegible]

STATEMENT AS OF MARCH 31, 2009 OF THE SURETY LIFE INSURANCE COMPANY

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter

1	2	3	4	5	6	7	8
Description	Code	Date Acquired	Rate of Interest	Maturity Date	Book/Adjusted Carrying Value	Amount of Interest Due and Accrued	Amount Received During Year
NONE							
8699999 - Total Cash Equivalents							